

EXHIBIT 2

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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KAI LOCK, KYLE STRAKER, MICHAEL	:	
NICKICH, and on behalf of themselves and	:	
all others similarly situated,	:	
	:	Civil Action No. 2:23-cv-07904-NJC-ST
Plaintiffs,	:	
	:	
-against-	:	
	:	
COSTCO WHOLESALE CORPORATION,	:	
	:	
Defendant.	:	
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DECLARATION OF FAUSTO MENDOZA

I, Fausto Mendoza, pursuant to 28 U.S.C. § 1746, state as follows:

1. The facts in this declaration are based on my personal knowledge.

A. Background

2. I have been employed by Costco since 1991. I am currently the General Manager (“GM”) of Costco’s Yonkers, New York warehouse. I have held that position since September 2023. As GM, I have overall managerial responsibility for the operations of the warehouse.

3. Throughout my employment with Costco, I have worked at various warehouses, including Costco’s New Rochelle, New York warehouse, where I was the GM from May 2017 to September 2023.

4. Yonkers uses the following management titles (in ascending order of responsibility): Junior Managers (sometimes called Department Managers); Staff Managers; Assistant General Managers; and GM.

5. Yonkers does not have a unionized workforce.

B. Junior Managers

6. Yonkers currently has the following Junior Managers: Center Manager, Hardlines Manager, Foods Manager, Night Manager, Front End Assistant Manager, Membership/Marketing Manager, Tire Center Manager, Optical Manager, and Pharmacy Manager.

7. In Yonkers, all Junior Managers are trained on interviewing potential new hires, and all Junior Managers participate in the hiring process, typically during the first round. All Junior Managers can stop the hiring process during the first round by rejecting a candidate.

8. At this warehouse, we refer to the Center, Foods, Hardlines, and Night Managers as “Area Merchant Managers” because they oversee discrete areas of the sales floor.

(a) Center Manager

9. The Center Manager manages the area in the warehouse (located at the center) containing items such as clothing, books, candy, and smaller household items. This is a larger area than the other merchandise areas.

10. As a result of the larger footprint and variety of products overseen by the Center Manager, he or she typically relies more on supervisors, especially with specialty merchandise like clothing. They therefore tend to delegate more than the other Area Merchant Managers.

11. In Yonkers, the Center Manager’s staff consists of 17 employees.

(b) Foods Manager

12. The Foods Manager manages the multiple areas of the warehouse containing food groceries, including meat, fish, dairy, non-perishable foods (such as breads and cereals), and frozen foods.

13. In Yonkers, the Foods Manager’s staff consists of 22 employees.

(c) Hardlines Manager

14. The Hardlines Manager oversees the areas containing consumer durables, such as appliances, televisions, and other larger household items.

15. In Yonkers, the Hardlines Manager's staff consists of 4 employees.

(d) Night Manager

16. The Night Manager manages all areas of the sales floor during the hours when the warehouse is closed to members or preparing for closing. Their responsibility is not limited to a discrete area. The Night Manager at Yonkers typically oversees and manages half of the warehouse.

17. In Yonkers, the Night Manager's staff consists of 26 employees.

18. In Yonkers, the Night Manager works a different shift than the other Area Merchant Managers: typically 3 pm to 11 pm (five days a week), while the others typically work 3 am to 12 pm (five days a week).

19. During the night shift, typically the only managerial employees working in Yonkers are the Night Manager and one AGM or one Staff Manager. There is therefore less oversight of the Night Manager than of the other Department Managers.

(e) Ancillary Managers

20. In addition to the foregoing Area Merchant Managers, Yonkers has managers who oversee the Tire Center, the Optical department, and the Pharmacy department. We refer to these managers as "Ancillary Managers" because their departments are located on the periphery of the warehouse and both the managers and staff require special training, licensing, or expertise.

21. The Pharmacy Manager, for example, must hold a Bachelor of Science or a Doctorate of Pharmacy and be a licensed pharmacist in good standing in New York State. In addition to managing the Pharmacy, the Pharmacy Manager's primary duties includes dispensing

prescription medications; measuring, labeling, and checking for drug interactions; verifying medications with physicians; and selecting substitution medications when necessary.

22. The Optical Manager must hold a New York State license as a dispensing optician. In addition to managing the Optical Department, the Optical Manager's primary duties include performing eye exams, fitting and adjusting eyeglasses, and dispensing contacts.

23. The Pharmacy and Optical Managers have to comply with and implement HIPAA guidelines, and make sure their staffs do as well. Other Department Managers do not have these responsibilities.

24. The Tire Shop Manager manages the Tire Center.

25. In Yonkers, the Tire Shop Manager's staff consists of 13 employees.

26. Unlike the Area Managers, the Tire Shop Manager is in charge of ordering inventory, ensuring inventory is accounted for, and implementing certain safety programs in connection with the installation of car tires.

27. Because the Ancillary Managers and their staffs have specialized responsibilities, they are generally more involved in the hiring process than other Junior Managers and their recommendations, both for and against specific candidates, are afforded greater weight in the ultimate hiring decision.

(f) Membership/Marketing Manager

28. The Membership/Marketing Manager oversees the membership counter and markets memberships and other programs.

29. In Yonkers, the Member/Marketing Manager's staff includes 17 employees.

30. This role has certain benchmarks that other Junior Managers do not have, such as sign-up goals.

31. The Membership/Marketing Manager purchases supplies for her department once a period (i.e., month), using a warehouse credit card.

(g) Assistant Front End Managers

32. The Assistant Front End Managers (“Assistant FE Managers”) oversee the entire front and external sections of the warehouse, including the parking lot and register areas.

33. Assistant FE Managers collectively have approximately 126 subordinates under them on an average day, which is significantly more than any other Junior Manager.

34. As a result of their high number of subordinates, and the entry-level nature of the positions in this department, the Assistant FE Managers evaluate, schedule, interview, and train far more employees than any other Junior Manager.

C. Fresh Department Managers

35. The “Fresh Department” managers—Meat Manager, Deli Manager, Bakery Manager, and Food Court Manager—have greater job responsibilities than the Junior Managers. For example, in Yonkers, the Fresh Department managers are responsible for profit and loss and payroll—responsibilities not shared with the Junior Managers.

36. The Fresh Department managers directly report to an AGM, unlike the Junior Managers who report to staff managers.

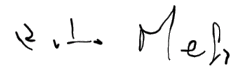
37. The Fresh Department managers are also paid higher salaries than the Junior Managers, aside from the Pharmacy and Optical Managers.

38. In Yonkers, due to the Fresh Department Managers’ greater responsibilities and pay, we consider them to be Staff Managers, not Junior Managers.

39. Staff Managers are considered senior managers within the warehouse hierarchy.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 25, 2024

Handwritten signature of Fausto Mendoza in black ink.

Fausto Mendoza

4/25/2024